

NEWS

United States Department of Justice
U.S. Attorney, District of New Jersey
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FOR IMMEDIATE RELEASE

June 30, 2009

Camden County Man Sentenced to 360 Months in Prison for Scheme That Defrauded Investors of Approximately \$5.8 Million

(More)

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CAMDEN – The former president and CEO of All Freight Logistics, Inc., was sentenced to 360 months in federal prison today on mail fraud and money laundering charges in connection with his Ponzi scheme to defraud investors of approximately \$5.8 million, Acting U.S. Attorney Ralph J. Marra, Jr. announced.

U.S. District Judge Renée Marie Bumb also ordered Glyn Richards, 45, of Haddon Heights, to serve 3 years of supervised release upon the completion of his prison term. Richards has been held in federal custody since his capture in Tampa, Fla., on Feb. 9, 2009, after he fled while free on a \$350,000 secured bond pending sentencing. In addition, Judge Bumb scheduled a restitution hearing for Sept. 28 to determine the appropriate amount of restitution Richards must pay to the victims of his scheme.

On June 23, 2008, Richards made his first appearance in federal court and pleaded guilty before Judge Bumb to a two-count Information, which charged mail fraud and money laundering. As part of his plea, Richards agreed to pay restitution.

At his plea hearing, Richards stated that prior to May 2005 he incorporated All Freight Logistics, Inc. in New Jersey and served as the company's president and CEO. In May 2005, Richards began soliciting investments in the company and provided investors with a contract describing the nature of the investment in All Freight Logistics and the profits to the investors, he admitted.

Richards admitted that the contract stated that All Freight Logistics was in the business of transporting military equipment for the U.S. Department of Defense. Furthermore, the contract stated that the investment funds were to be utilized to pay "up-front costs and expenses to overseas agents and steamship lines" in connection with the transportation of equipment, Richards admitted.

Typically a contract provided for a 120-day investment of \$25,000 in exchange for a 44% return on the investment, which was paid out over the next four months, Richards admitted. Richards admitted that as president of All Freight Logistics and individually, he executed contracts with investors. Richards also admitted that All Freight Logistics never transported military equipment for the Department of Defense.

In regards to the money laundering count, Richards admitted that in connection with the fraudulent investment scheme, on March 24, 2006, he cashed a check from an investor in the amount of \$25,000 at United Check Cashing in Clementon.

Richards was first arrested on July 25, 2007, by investigators with the Camden County Prosecutor's Office on state charges. The case was adopted for further investigation and prosecution by the U.S. Attorney's Office.

In determining the actual sentence, Judge Bumb consulted the advisory U.S. Sentencing Guidelines, which provide appropriate sentencing ranges that take into account the severity and characteristics of the offense, the defendant's criminal history, if any, and other factors. The judge, however, is not bound by those guidelines in determining a sentence, and Judge Bumb sentenced Richards above the guidelines range citing the need to protect the public from Richards, and the need to provide specific deterrence to Richards.

Parole has been abolished in the federal system. Defendants who are given custodial terms must serve nearly all that time.

Marra credited Investigators with the Camden County Prosecutor's Office, under the direction of Prosecutor Warren W. Faulk; Special Agents of the FBI's Cherry Hill Resident Agency, under the direction of Janice K. Fedarcyk in Philadelphia; the IRS Criminal Investigation, under the direction of Acting Special Agent in Charge Julio La Rosain Newark; Secret Service, under the direction of Robert W. Slama in Philadelphia; U.S. Postal Inspection Service, under the direction of Inspector in Charge Teresa L. Thome in Philadelphia; U.S. Department of Defense Criminal Investigative Service, under the direction of Resident Agent in Charge Chris Fair; and Police Officers with the Audubon Police Department, under the direction of Chief Thomas Tassi, with the investigation leading to the guilty plea.

The Government is represented by Assistant U.S. Attorneys Diana Vondra Carrig and Deborah Prisinzano Mikkelsen of the Criminal Division in Camden.

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Defense Attorney: John F. Renner, Esq. Marlton